



B.K. BIRLA CENTRE FOR EDUCATION

SARALA BIRLA GROUP OF SCHOOLS
A CBSE DAY-CUM-BOYS' RESIDENTIAL SCHOOL



MID- APRIL 2026-27
MS LEGAL STUDIES

Class: XII

Date: 16.06.26

Admission no:

Time: 1 hrs

Max Marks: 25

Roll no:

General Instructions:

- All questions are compulsory.
- Read the questions carefully before answering.
- Section A carries 08 MCQs of 1 mark each.
- Section B carries 06 marks and answers should not exceed 40 words each.
- Section C carries 06 marks. The answers should exceed 100 words each.
- Section D carries 05 marks. The answers should exceed 140 words.

Section A

I. Multiple Choice Questions. Choose the correct option:

(8× 1 = 8)

1. An agreement enforceable by law is called:
a) Promise b) **Contract** c) Offer d) Agreement
2. Proposal when accepted becomes:
a) **Promise** b) Contract c) Offer d) Void agreement
3. Consideration must be:
a) Illegal b) **Lawful** c) Optional d) Written
4. A contract without consideration is:
a) Valid b) Illegal c) **Void** d) Enforceable
5. Which ADR method involves a neutral third party giving a binding decision?
a) Mediation b) **Arbitration** c) Negotiation d) Conciliation
6. Lok Adalats are:
a) Criminal courts b) Civil courts c) **People's courts** d) High courts
7. Free consent includes:
a) Coercion b) Undue influence c) Fraud d) **None of these**
8. E-contracts are:
a) Oral contracts b) **Digital agreements**
c) Illegal contracts d) Void contracts

Section B

(6)

Very Short Answer Questions

(Answer in not more than 40 words)

9. Riya, a shopkeeper, displayed a dress in her store window with a price tag of ₹2,000. Meena saw the dress and immediately told Riya that she wanted to buy it for ₹2,000. However, Riya refused to sell the dress, saying it was only for display and not for sale.

Question:

Is there a valid contract between Riya and Meena? Give reasons for your answer.

Answer: No, there is no valid contract between Riya and Meena.

For a contract to be formed, there must be a valid offer and acceptance. In this case, displaying the dress with a price tag is not an offer but an invitation to offer. It means the shopkeeper is inviting customers to make an offer to buy. When Meena expressed her willingness to buy the dress for ₹2,000, she made an offer. However, Riya did not accept this offer and refused to sell the dress.

Since there was no acceptance, one of the essential elements of a contract is missing. Therefore, no valid contract was formed.

10. Define Offer.

Ans. An offer, in Indian Contract Act, 1872, is defined as the expression of willingness by one person to do or abstain from doing something, with a view to obtaining the assent of another, so that it becomes a promise when accepted.

11. Define Arbitration.

Ans. Arbitration is a method of dispute resolution under the Arbitration and Conciliation Act, 1996, where parties agree to submit their dispute to a neutral arbitrator, whose decision (award) is binding and enforceable like a court judgment.

Section C

(6)

Short Answer Questions

(Answer in not more than 100 words)

12. Explain the concept of free consent and its components.

Ans. Free consent, under the Indian Contract Act, 1872, means that parties agree upon the same thing in the same sense (consensus ad idem) without any pressure or misunderstanding. Consent is not free if caused by coercion, undue influence, fraud, misrepresentation, or mistake.

Its components include:

- **Coercion** – use of force or threats
- **Undue Influence** – unfair domination of one party over another
- **Fraud** – intentional deception
- **Misrepresentation** – false statement made innocently
- **Mistake** – erroneous belief about facts

Free consent ensures that agreements are valid and enforceable.

13. Explain the advantages of ADR methods.

Ans. Alternative Dispute Resolution (ADR) methods, under the Arbitration and Conciliation Act, 1996, offer several advantages. They are faster and more cost-effective than court proceedings, reducing delays and expenses. ADR ensures confidentiality, protecting parties' privacy. It provides flexibility in procedures and allows parties to choose experts as neutrals. These methods promote amicable settlements, preserve relationships, and reduce the burden on courts. The decisions or settlements are binding and enforceable, making ADR an efficient and practical dispute resolution mechanism.

Section D

(5 × 1 = 5)

Long Answer Questions

(Answer in not more than 140 words)

14. Compare Arbitration, Mediation, and Conciliation.

Ans. Arbitration, mediation, and conciliation are key methods of Alternative Dispute Resolution (ADR) governed by the Arbitration and Conciliation Act, 1996. They differ in their nature, procedure, and role of the third party.

Arbitration is a formal and structured process where the dispute is referred to an arbitrator or a panel of arbitrators. The arbitrator hears both parties, considers evidence, and passes a decision called an award. This award is final, binding, and enforceable like a court judgment.

Mediation is a voluntary and flexible process in which a mediator helps the parties communicate effectively and understand each other's viewpoints. The mediator does not give any decision but facilitates negotiation so that the parties can arrive at a mutually acceptable solution.

Conciliation is also a voluntary process but differs from mediation in that the conciliator plays a more active and interventionist role. The conciliator may propose terms of settlement, guide the parties, and assist in drafting the agreement.

In conclusion, arbitration is adjudicatory with a binding outcome, whereas mediation and conciliation are non-adjudicatory, cooperative processes aimed at amicable settlement and preservation of relationships.

-----ALL THE BEST-----